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S - 541,868

SEP 26 1974

Confidential Report Urges More Secrecy In CIA Spying

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WASHINGTON, Sept. 25.— A confidential report being circulated in Washington and Boston urges that the Central Intelligence Agency improve its secrecy in penetrating private institutions at home and abroad.

The document proposes also that the CIA direct its covert operations particularly at Africa, Asia and Latin America and make wide use of agents other than Americans.

The report is a summary of a panel discussion on intelligence and foreign policy conducted by the Council on Foreign Relations in New York Jan. 8, 1968.

Copies of the document are being circulated in this country and Europe by a group of radical scholars in Cambridge, Mass., as "a still-relevant primer on the theory and practice of the Central Intelligence Agency" and "a fair warning as to the direction of the agency's interests and efforts."

Leader of the 1968 discussion was Richard M. Bissell Jr., a former CIA deputy director who was in charge of the U-2 spy plane program in the late 1950s and the abortive invasion of Cuba at the Bay of Pigs in 1961. He left the Government in 1962 and is a vice president of United Aircraft Corp.

Others in the group were the late Allen W. Dulles, who had been the CIA director; Robert Amory Jr., who had been the deputy CIA director for intelligence; Thomas L. Hughes, then director of intelligence and research at the Department of State and now president of the Carnegie Endowment for International Peace, and Meyer Bernstein, director of international affairs for the United Steel Workers of America.

Former Secretary of the Treasury Douglas Dillon was chairman. The document, reporting Bissell's review and appraisal of the CIA's covert operations, said: "If the agency is to be effective, it will have to make use of private institutions on an expanding scale, though those relations which have 'blown' cannot be resurrected.

"We need to operate under deeper cover, with increased attention to the use of 'cut-outs.' CIA's interface with the rest of the world needs to be better protected."

Bissell's presentation, as reported in the summary, referred frequently to exposés in the previous year of the CIA's penetration and financing of the National Student Association and other private organizations, including trade union organizations overseas.

"If various groups hadn't been aware of the source of their funding, the damage subsequent to disclosure might have been far less than occurred," the summary said.

"The CIA interface with various private groups, including business and student groups, must be remedied."

Other documents, obtained in early 1969 by the Post-Dispatch, showed that the U.S. Agency for International Development had picked up the tab for certain overseas programs that had been financed secretly by the CIA. These became known as "CIA orphans" after the secret financing was disclosed.

The change apparently grew out of a 1967 order by President Lyndon B. Johnson prohibiting any further hidden subsidies to private voluntary organizations. He promised to consider proposal that the Federal Government establish "a public-private mechanism to provide public funds openly for overseas activities of organizations which are adjudged deserving, in the national interest of the United States."

As a result, AID funds have been used to finance in part certain international labor programs handled through ... the AFL-CIO.

One member of the 1968 panel, not identified but apparently Bernstein, the Steelworkers' officer, was quoted as saying that it was common knowledge even before the exposés of 1967 that there had labor programs.

Persons in international labor affairs were dismayed, he said, over public disclosure of this CIA support. He said that "certain newspapermen compounded their difficulties by confusing AID with CIA."

The summary continued, quoting the same speaker: "Since these disclosures, the turn of events has been unexpected. First, there hasn't been any real trouble with international labor programs. Indeed,

there has been an increase in demand for U.S. labor programs and the strain on our capacity has been embarrassing. Formerly these common labor unions knew we were short of funds, but now they all assume we have secret CIA money, and they ask for more help."

Citing labor union in British Guiana as an example, he said they were "supported through CIA conduits, but now they ask for more assistance than before."

In the summary of Bissell's presentation, the report said the United States should make increasing use persons other than American citizens who "should be encouraged to develop a second loyalty, more or less comparable to that of the American staff."

"The desirability of more effective use of foreign nationals increases as we shift our attention to Latin America, Asia and Africa, where the conduct of United States nationals is easily subject to scrutiny and censured," the summary

said.

Bissell was reported to have suggested that the CIA could use foreign nationals increasingly as "career agents," with a status midway between a classical agent in a single operation and that of a staff member involved through his career in many operations.

At another point, the account of Bissell's presentation asked the question "From whom is a covert operation to be kept secret?"

"After five days, for example, the U-2 flights were not secret from the Russians, but these operations remained highly secret in the United States and with good reason," the summary said.

"If these overflights had leaked to the American press, the USSR would have been forced to take action."

"On a less severe level, the same problem applies to satellite reconnaissance. These are examples of two hostile governments collaborating to keep operations secret from the general public of both sides. Unfortunately, there aren't enough of these situations."

Returning to covert financing of private organizations overseas, Bissell said that such pro-

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